

Related Change Request (CR) #: 3873

MLN Matters Number: MM3873

Related CR Release Date: May 27, 2005

Related CR Transmittal #: 568

Effective Date: July 1, 2005

Implementation Date: July 5, 2005

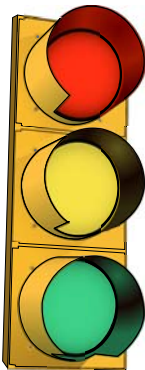
## *July Quarterly Update to 2005 Annual Update of HCPCS Codes Used for Skilled Nursing Facility (SNF) Consolidated Billing (CB) Enforcement*

**Note:** This article was revised to contain Web addresses that conform to the new CMS web site and to show they are now MLN Matters articles. All other information remains the same.

### Provider Types Affected

Physicians, providers, and suppliers billing services to carriers and intermediaries

### Provider Action Needed



#### **STOP – Impact to You**

This article is based on information from Change Request (CR) 3873, which corrects the effective date of excluded Healthcare Common Procedure Coding System (HCPCS) L5781 for Skilled Nursing Facility (SNF) Consolidated Billing (CB).

#### **CAUTION – What You Need to Know**

The correct effective date of excluded HCPCS L5781 for SNF CB should be January 1, 2003.

#### **GO – What You Need to Do**

See the Background section of this article to find out further details regarding this change.

### Background

The Centers for Medicare & Medicaid Services (CMS) periodically updates the lists of CPCS codes that are subject to the CB provision of the SNF PPS. Claims for services appearing on this list (which are submitted to Medicare Fiscal Intermediaries (FIs) and carriers, including Durable Medical Equipment Regional Carriers (DMERCs)) will not be paid by Medicare to providers, other than a SNF, when **included** in SNF CB.

- For non-therapy services, SNF CB applies only when the services are furnished to a SNF resident during a covered Part A stay;

#### Disclaimer

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- For physical and occupational therapies and speech-language pathology services, SNF CB applies whenever they are furnished to a SNF resident, regardless of whether Part A covers the stay; and
- Services **excluded** from SNF PPS and CB may be paid to providers (other than SNFs) for beneficiaries, even when in a SNF stay.

Separate instructions are published for FIs and carriers/DMERCs for the annual notice on SNF CB each January. The 2005 Annual Update can be found on the following CMS web sites for:

- FIs at <http://www.cms.hhs.gov/transmittals/Downloads/R360CP.pdf> (Transmittal R360CP, CR3542, dated November 5, 2004); and
- Carriers at <http://www.cms.hhs.gov/SNFConsolidatedBilling/>.

Quarterly updates now apply to both FIs and carriers/DMERCs. An April 2005 Quarterly Update for FIs and carriers has been published subsequent to the 2005 annual update, and it is available at the CMS web site for 2005 transmittals at <http://www.cms.hhs.gov/Transmittals/downloads/R449CP.pdf> (transmittal R449CP, CR3683 dated January 21, 2005).

CR3873 provides one HCPCS correction under Major Category III. D. Customized Prosthetic Devices. HCPCS L5781 was previously excluded under the 2005 Annual Update to SNF CB with an incorrect effective date of January 1, 2005. The effective date for excluded HCPCS L5781 should be January 1, 2003.

Suppliers may bill L5781 retroactively to January 1, 2003. However, there may be situations in which a SNF has already reimbursed a supplier for L5781. Providers and suppliers cannot collect money from a SNF and Medicare Part B twice for the same service, equipment, or device for the same date of service. Suppliers that now receive payment from Medicare Part B are expected in all cases to refund any money they received from the SNF for the same item.

Effective for claims with dates of service on or after January 1, 2003 to December 31, 2004, your Medicare carrier and FI will reopen and reprocess claims with the code L5781 and override timely filing when necessary. The carrier/FI will only do this, however, when you bring such claims to their attention.

## Implementation

The implementation date for this instruction is July 5, 2005.

## Additional Information

For complete details, please see the official instruction issued to your carrier/intermediary regarding this change. That instruction may be viewed by going to <http://www.cms.hhs.gov/Transmittals/downloads/R568CP.pdf> on the CMS web site.

If you have any questions, please contact your carrier/intermediary at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.pdf> on the CMS web site.

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